Bank of India

1218. SHRI RAMASHRAYA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether Bank of India has signed a pact with Union Government for the returning of Rupees 93.47 crore from its capital; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Bank of India have returned to the Government on 31.1.97, a sum of Rs. 93.47 crores out of its capital. The capital of the Bank now stands reduced to Rs. 489.00 crores from the level of Rs. 582.47 crores as on 31.3.96.

Illegal Mining of Coal

1219. SHRI RAJENDRA AGNIHOTRI : Will the Minister of COAL be pleased to state :

(a) the number of cases of illegal mining of coal brought into the notice of the Government during the last three years, State-wise; and

(b) the action taken by the Government to stop such illegal mining?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) As per information received from Coal India Limited (CIL), illegal mining has been taking place in some of the mines of the Eastern Coalfields Limited (ECL), Bharat Coking Coal Limited (BCCL) and Central Coalfields Limited (CCL).

The number of illegal mining during the last three years is as under :

Company	1993-94	1994-95	1995-96
ECL	55	58	61
BCCL	38	60	32
CCL	16	25	23

(b) The steps taken by the coal companies to stop illegal mining are as under :

(i) The exposed coal faces in unused opencast mines have been, to the extent possible, covered with debris.

(ii) Whenever any incident of illegal mining comes to the notice of the colliery authorities within the leasehold areas, patrolling by the Central Industrial Security Force (CISF) is intensified. At times raids of such areas are conducted jointly by CISF and the Policy.

(iii) The coal companies maintain close liaison with State authorities/police to check such illegal activities.

Trade Agreement

1220. SHRI NITISH BHARADWAJ : Will the Minister of COMMERCE be pleased to state :

(a) the details of areas identified by the Government to improve trade by encouraging indigenous industries;

(b) the details of countries with whom the Government propose to improve our bilateral trade on priority basis;

(c) whether any review of the trade policy has been made during the last five years;

(d) if so, the details thereof; and

(e) the further steps taken by the Government to improve our Balance of Payment situation?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) Areas identified by the Government for improving trade by encouraging indigenous industries include traditional and non-traditional export industries covering inter alia those which permit value added exports. The thrust areas identified are agro products, gem and jewellery, electronics including, software, textiles, engineering goods, leather manufacture and chemical products.

(b) India has trade relations with almost all the major countries in East Asia, West Asia, East Europe, America, Africa, Common Wealth of Independent States, Latin America and other regions. Continuous efforts to improve bilateral trade with all trading partners are made through Joint Commission meetings, trade agreements and participation in trade fairs. The countries which are important in terms of exports are USA, Japan, Hong Kong, U.K., Germany, UAE and Belgium. In view of the potential in emerging markets, emphasis is also given to promoting trade with Africa, Latin America and SAARC countries.

(c) and (d) The Exim policy in force for the perioc 1992-97 has been updated from time to time with a view to meeting the needs of the exporting community and the international market conditions.

(e) Balance of payment position is dependent or Balance of Trade. Since the trade deficit is the difference between value of imports and exports, the key to reducing trade deficit lies in increased exports. Export promotion measures are taken on a continuous basis through changes in Policy and procedures for providing a favourable environment for exports, involvement of State Governments and periodic consultation with trade and industry.

White Paper on External and Internal Debt

1221. SHRI NARAYAN ATHAWALAY : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to work out a White Paper on external and internal debt position for

the last five years and projections for the next five years;

(b) if so, the details of the debt position and emerging trends thereof;

(c) the strategy worked out to manage effectively the disturbing trends; and

(d) the details of package of incentives proposed to boost up internal saving rate which has been sliding for over the last five years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The Government has recently come out with a Status Report on India's External Debt which is the third in the series of such White Papers. The Paper shows a steady improvement in the external indebtedness position of the country in recent years.

There is no proposal under consideration to bring out a White Paper on internal debt, details of which are contained in the Receipt Budget documents.

(c) The external debt management strategy followed by the Government includes sustaining a high growth rate of exports, encouraging non-debt creating capital inflows and keeping the maturity structure as well as the total amount of commercial debt under control. The Government would also endeavour to contain the fiscal deficit (additional borrowings) through controlling expenditure and through its non-debt receipt.

(d) The details of the package of incentives proposed to boost up the internal saving rate are a part of the budget exercise which is secret in nature, and it is not possible to give any details of the same at present.

Interests Rate of P.F.

1222. SHRI CHITTA BASU : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to increase the interest rates of the Provident Fund;

(b) if so, the details thereof; and

(c) the steps at which the proposal rest now?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) There is no proposal under the consideration of the Government at present to increase the interest rate on Provident Fund.

(b) and (c) Do not arise.

IMFs Proposal

1223. SHRI SARAT PATTANAYAK : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware of International Monetary Funds proposal to drop India from priority list of 24 countries for lending financial assistances; and

(b) if so, the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) IMF does not have any priority list of 26 countries for lending financial assistance and therefore the question of India being dropped from such list does not arise.

Economic Relation with United Kingdom

1224. SHRI S.D.N.R. WADIYAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have a proposal to expand economic relation with United Kingdom;

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Yes, Sir.

(b) Constant efforts are made to expand economic relations with United Kingdom. Some of the steps in this direction include participation in international trade fairs, intensified exchange of business delegations, supply of necessary information and extending all possible facilities to the commercial organisations, increased focus on thrust items and the promotional activities of the Indo-British Partnership.

Government of India have signed a Bilateral Investment Promotion and Protection Agreement with the United Kingdom in 1994 which was ratified in January 1995 making the agreement effective.

India is also the largest recipient of aid from United Kingdom and this is increasing.

Equities of CIL's Subsidiaries

1225. SHRI JAGMOHAN : Will the Minister of COAL be pleased to state :

(a) whether any proposal for reducing equities of some healthier subsidiaries of CIL was made through conversion to debts and with simultaneous injection of fresh equities in some of weaker subsidiaries;

(b) if so, the amount intended to be used as fresh equities in weaker subsidiaries; and

(c) the subsidiaries which have been identified as healthier and weaker subsidiaries?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Yes, Sir. As per information received from Coal India Limited, there is a proposal to reduce equity of some of the healtheir subsidiaries of the Coal India Limited by conversion of equities into debt in these subsidiaries with simultaneous reverse conversion of debt to equity in the weaker